

**SCHEDULE 1
EXCHANGE NOTICE**

LEAD HONEST MANAGEMENT LIMITED

**Hong Kong Dollar 9 Per Cent. Guaranteed Secured Exchangeable Bonds due 2013
Exchangeable for Shares of Lead Honest Management Limited (the "Bonds")**

(Please read the notes overleaf before completing this Notice.)

Name: Date[§]:

Address: Tel No:

*Euroclear/Clearstream Account No.: Fax No:

Signature**:

.....

To: Citibank, N.A., London Branch

Attn: Agency and Trust – DECT

Fax: 44 207 508 3866

cc: Lead Honest Management Limited (the "Issuer")

I/We, being the holders of the Bonds specified below, hereby irrevocably elect to exchange such Bonds into fully-paid ordinary shares of Lead Honest Management Limited (the "Shares") in accordance with the terms and conditions of the Bonds. Terms used in this Exchange Notice and not otherwise defined have the meanings given to them in the Agency Agreement dated 28 December 2009 between, among others, the Issuer and Citibank, N.A., London Branch as Principal Agent.

1. Total principal amount, number and identifying numbers of Bonds to be exchanged:

Total principal amount:

Total number of Bonds:

[§] The date on which this Exchange Notice is submitted by the exchanging Bondholder to the Exchange Agent (the "Date of Submission")

* (delete as appropriate)

** Where the Bonds to be exchanged are evidenced by the Global Bond Certificate, the Exchange Notice need not be signed. In such a case, delivery of the Exchange Notice will constitute confirmation by the beneficial owner of the Bonds to be exchanged that the information in the Exchange Notice is true and accurate on delivery.

Identifying numbers of Bonds (if relevant)*:

Identifying numbers of Certificates deposited in respect of Bonds to be exchanged (if relevant)*

N.B. If necessary, the identifying numbers of Bonds and Certificates can be attached separately.

2. Name(s) and address(es) of person(s) in whose name(s) the Shares required to be delivered on exchange are to be registered:

Name:

Address:

Telephone Number:

Fax Number:

3. I/We hereby request that [I/We be registered as holder(s) of the relevant number if Shares in the share register] [the Shares be delivered to, and registered in the name of the Central Clearing and Settlement System of Hong Kong for credit to the securities account number specified below] or the certificates for the Shares (together with any other securities, property or cash, including any payment of an Equivalent Amount or cash amount pursuant to Condition 6(H) (*Right to Dividends*) and 6(I) (*Fractions arising on Exchange*) required to be delivered upon exchange, be despatched or transferred (at my/our risk and expense) to the person whose name, contact person, telephone numbers, fax number, address and account number is given below and in the manner specified below:

Name:

Contact Person:

Address:

Securities Account Number:

Securities Account Name:

Account Number:

Account Name:

* Not required for Bonds represented by a Global Bond Certificate

Telephone Number/Fax Number:

Manner of despatch:

The Certificate in respect of the Bonds exchanged hereby accompanies this Exchange Notice.*

Name:

Contact Person:

Address:

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4. I/We hereby certify that:

4.1 the closing price for one Share on the Trading Day immediately prior to the Date of Submission is HK\$.....;

4.2 Condition 6(A) has been satisfied that**

the Exchange Right is exercised during the period commencing on the Exchange Commencement Date and ending on but excluding 9 February 2011 and the closing price quote by the Hong Kong Stock Exchange or, as the case may be, by the Alternative Stock Exchange, for one Share on the Trading Day immediately preceding the exercise of the Exchange Right was at least 120 per cent. of the Exchange Price;

the Exchange Right is exercised during the period commencing on 9 February 2011 and ending on but excluding 9 August 2011 and the closing price quote by the Hong Kong Stock Exchange or, as the case may be, by the Alternative Stock Exchange, for one Share on the Trading Day immediately preceding the exercise of the Exchange Right was at least 110 per cent. of the Exchange Price;

the Exchange Right is exercised during the period commencing on 9 August 2011 and ending on but excluding 9 February 2012 and the closing price quote by the Hong Kong Stock Exchange or, as the case may be, by the Alternative Stock Exchange, for one Share on the Trading Day immediately preceding the exercise of the Exchange Right was at least 100 per cent. of the Exchange Price;

I/We have been notified that an Event of Default has occurred; or

* Not required for the Global Bond Certificate.

** Please check as appropriate.

I/We am/are a party to an Equity Forward Instrument (a copy of which is annexed hereto) which has expired, terminated or ceased to be in effect;

4.3 all approvals, consents and authorisations required to be obtained by me/us in relation to the Exchange Rights have been obtained and are in full force and effect and that any applicable condition thereto has been complied with by me/us; and

4.4 all stamp, issue, registration, excise and similar taxes and duties (if any) arising on exchange of the Bonds or payable consequent upon the issue, delivery or transfer of Shares or any other property or cash upon exchange or cash settlement have been paid or will be paid, except that the Issuer will pay the expenses arising in Hong Kong on the transfer of the Shares on exchange of the Bonds and all charges of the Exchange Agents in connection therewith.

5. The Issuer has notified the Exchange Agents that the Issuer's register of shareholders will be closed on the following dates:

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I/We hereby certify that at the time of execution and deposit of this Exchange Notice I/we or the person who has the beneficial interest in the Bonds specified above is/are not in the United States (within the meaning of Regulation S ("Regulation S") under the US Securities Act of 1933) and that I/we, or such person, purchased such Bonds or the beneficial interest therein, in a transaction made in accordance with Rule 903 or Rule 904 of Regulation S.***

N.B.

- (i) This Exchange Notice will be void unless the introductory details and Sections 1 to 4 are completed.
- (ii) Your attention is drawn to Condition 6(E) (*Stamp and Other Duties and Exchange Costs*) of the Bonds with respect to the conditions precedent which must be fulfilled before the Bonds specified above will be treated as effectively eligible for exchange.
- (iii) Despatch of share certificates or other securities or property will be made at the risk and expense of the exchanging Bondholder and the exchanging Bondholder will be required to submit any necessary documents required in order to effect despatch in the manner specified.
- (iv) If a retroactive adjustment contemplated by the terms and conditions of the Bonds is required in respect of an exchange of Bonds, certificates for the additional Shares deliverable pursuant to such retroactive adjustment (together with any other securities, property or cash) will be delivered or despatched in the same manner as the Shares, other securities, property and cash or, as the case may be, the Equivalent Amount previously issued pursuant to the relevant Exchange Notice.

For Agent's use only:

*** No Shares will be issued to a Bondholder unless the Bondholder satisfies the foregoing conditions.

1.
 - (A) Bond exchange identification reference:
 - (B) Date on which the Exchange Notice is deposited with the Agent:
 - (C) Exercise Date:

2.
 - (A) Aggregate principal amount of Bonds in respect of which Certificates have been deposited for exchange:
 - (B) Exchange Price on Exercise Date:
 - (C) Number of Shares deliverable:.....

3. (if applicable) amount of cash payment due to exchanging Bondholder under Condition 6(I) in respect of fractions of Shares:.....

The Exchange Agent must complete items 1, 2 and (if applicable) 3.